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Kimberly A. Grouse
kgrouse@swlaw.com

August 21, 2006

Arizona Corporation Commission
DOCKETED

SEP 14 2006

DOCKETED BY	nr
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Mr. Michael Bailey
Utilities Division
ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, Arizona 85007-2927

Re: **BNSF Railway Company dba Aubrey Water Company – Application
for a Rate Increase, Docket No. W-03476A-06-0425
Insufficiency Letter**

Dear Mr. Bailey:

The purpose of this letter is to address the issues raised in your letter dated July 31, 2006 regarding the above named docket. Please find the following responses:

- 1) A request for an Arizona Department of Environmental Quality ("ADEQ") compliance status report for Aubrey Water Company was faxed to ADEQ on June 15, 2006. Upon information from ADEQ, the compliance report was faxed directly to the Commission's Utilities Engineering Department on August 11, 2006.
- 2) A request for a tax clearance Letter of Good Standing from the Arizona Department of Revenue ("ADOR") was delivered to ADOR on June 29, 2006. Upon receipt, the Letter of Good Standing will be forwarded to the Commission Staff. A copy of the Tax Clearance Application was attached to the Rate Application as Appendix Tab 2.
- 3) Non-account water is 43% - 56% greater than the water sold due to water leakage. The Aubrey Water Company water system plant in service is very old, and as a result, the need for repairs and maintenance has increased as the system continues to age.
- 4) The Aubrey Water Company Annual Report, submitted on April 13, 2006 indicating the arsenic concentration of 0.03 and 0.04 mg/l in wells, is in error. A revised annual report will be filed with the Commission by Williamson Engineers and Contractors, Inc. correcting the arsenic levels to 0.002 mg/l as indicated by

Michael Bailey
August 21, 2006
Page 2

the attached Analytical Report prepared by Nortest Analytical. This level is well below the new arsenic level of 0.01 mg/l.

- 5) Invoices in support of the Water Quality Monitoring Costs of \$1,624 include the ADEQ Monitoring Assistance Program Annual Sampling Fee Invoice of \$736.45 (submitted with the Rate Application as Appendix Tab 10) and the attached invoice from Williamson Engineers & Contractors, Inc. for \$888.
- 6) The Commission approved Aubrey Water Company's Cross-connection or Backflow Tariff on March 18, 2005 and Curtailment Plan on August 30, 2005.
- 7) The attached notarized Affidavit of Richard S. Williamson, stating that the Public Notice of Filing a Rate Application was sent to each active customer of the Aubrey Water Company, was filed with the Rate Application along with a copy of the notice.
- 8) The notice was sent by first-class mail to all active customers of Aubrey Water Company.

Very truly yours,

SNELL & WILMER L.L.P.



Kimberly A. Grouse

KAG:bjw
Enclosures

cc: Blaine Bilderback
Luddy Hilburn
Sonn Rowell
Richard Williamson

Nortest Analytical
2400 E. Huntington Dr.
Flagstaff, AZ 86004

Project: Aubry Water
Project Number: 551044
Project Manager: Georgia Howeth

Reported:
01/20/06 15:38

ANALYTICAL REPORT FOR SAMPLES

Sample ID	Laboratory ID	Matrix	Type	Date Sampled	Date Received
Canyon Motel	6010145-01	Water	Grab	12/30/05 08:00	01/04/06 11:40

Case Narrative:

Holding Times: All holding times were met unless otherwise qualified.
QA/QC Criteria: All analyses met method requirements unless otherwise qualified.
Comments: There were no problems encountered during the processing of the samples, unless otherwise noted.

Nortest Analytical
2400 E. Huntington Dr.
Flagstaff, AZ 86004

Project: Aubry Water
Project Number: 651044
Project Manager: Georgia Howeth

Reported:
01/20/06 15:36

Canyon Motel (6010145-01) Water (Grab) Sampled: 12/30/05 08:00 Received: 01/04/06 11:40

Analyte	Result	RL	Units	Dilution	Batch	Prepared	Analyzed	Method	Notes
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Total Metals

Arsenic	0.002	0.002	mg/L	1	B6A008B	01/04/06 17:00	01/13/06 17:00	EPA 200.9	
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Legend Technical Services of Arizona, Inc.

Certifications: AZ #0004 MN #004-999-387 AIHA #102982

The results in this report apply to the samples analyzed in accordance with the chain of custody document. This analytical report must be reproduced in its entirety.

WILLIAMSON ENGINEERS & CONTRACTORS, INC.

**P.O. BOX 64656
TUCSON, ARIZONA 85728**

PH: 520-275-2236

FAX: 520-615-4076

Email: richwmson@theriver.com

December 31, 2005

INVOICE

SERVICES PROVIDED:

Collect, transport and pay laboratory fees for monthly microbiological samples for
Calendar Year 2005.

Laboratory Fees paid to Nortest Analytical Laboratory in Flagstaff. 12 samples @ \$17.50 per month	\$210.00
Mileage/Crew Truck Charges	\$318.00
Labor Charges	\$360.00
Total Charges:	\$888.00

AFFIDAVIT OF RICHARD S. WILLIAMSON

STATE OF ARIZONA)
) ss.
County of Pima)
_____)

Richard S. Williamson, upon his oath, says:

1. I am the principal of Williamson Engineers & Contractors, Inc, manager and contract operator for the Aubrey Water Company.
2. In my capacity as manager and contract operator, I am responsible for the operational duties, including billing, of the Aubrey Water Company.
3. On or about June 30, 2006, I caused the attached public notice of filing a rate application to be sent to each active customer of the Aubrey Water Company.

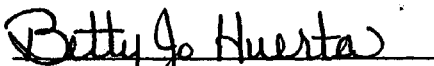
In WITNESS WHEREOF, the undersigned has executed the Affidavit, and attests to its accuracy.



Richard S. Williamson, P.E.
President
Williamson Engineers & Contractors, Inc.

On this 26th day of June, 2006, before me the undersigned officer, personally appeared Richard S. Williamson, President, Williamson Engineers & Contractors, Inc., known to me to be the person who subscribed to the foregoing instrument, and acknowledge that he executed same for the purposes expressed therein.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.


Notary Public

MY COMMISSION EXPIRES:

8-12-2008

